

TRICARE Management Activity

Guide for Use of GSA FSS



**OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE (HEALTH AFFAIRS)
TRICARE MANAGEMENT ACTIVITY
ACQUISITION MANAGEMENT DIVISION
MAY 2003**

VERSION 3

ACQUISITION SENSITIVE

NOTE TO READERS

This Guide contains procedures for using and managing orders for commercial items from Federal Supply Schedules (FSS). The General Services Administration (GSA) enters into contracts with commercial vendors to provide supplies and services at pre-negotiated prices. Orders are placed directly with the vendor and deliveries are made directly to the customer. Using FSS, federal agencies are able to obtain virtually any commercially available supply or service by choosing from among thousands of vendors.

This guide is an internal government document used solely to inform government personnel of relevant organizational structures, contract administration responsibilities under the GSA Schedules, and procedures relevant to managing orders. Nothing contained in this guide should be construed, interpreted or advanced as providing or bestowing any rights, privileges, defenses, claims or benefits to any contractor. This guide does not supersede, void, cancel or replace any applicable laws, regulations or terms contained in the specific Federal Supply Schedule contract. Applicable laws, regulations and terms contained in the contracts take precedence over any inconsistencies that are contained in or attributed to this guide.

Additional information about the GSA contract is available at <http://www.gsa.gov>

This guide is available on the TMA home page at <http://www.tricare.osd.mil/contracting/>

This Guide contains “live” hyperlinks to other relevant documents. Therefore, the documents that are hyperlinked within this Guide must be printed separately

ACQUISITION SENSITIVE

GUIDELINES FOR USERS & MANAGERS OF GSA FSS CONTRACTS

1. INTRODUCTION	5
1.1. AMD POINT OF CONTACT	5
1.2. PURPOSE AND SCOPE OF THIS GUIDE	5
1.3. GSA ORDER TYPES	6
1.4. COMMONLY USED GSA SCHEDULES	6
1.5. AUTHORIZATION TO USE GSA SCHEDULES	6
1.5.1. CAAS CERTIFICATION	6
1.5.2. PERSONAL VS. NON-PERSONAL SERVICES	7
1.5.3. INHERENTLY GOVERNMENTAL FUNCTIONS	7
1.6. COMPETITION REQUIREMENTS	7
1.7. PREFERRED CONTRACTING AGENCIES (PCAs)	7
2. ROLES AND RESPONSIBILITIES	8
2.1. GENERAL SERVICES ADMINISTRATION (GSA)	8
2.2. PROGRAM OFFICE	8
2.3. ACQUISITION MANAGEMENT DIVISION (AMD)	8
2.4. RESOURCE MANAGEMENT OFFICE (RMO) DIRECTORATE FINANCIAL OPERATIONS (FO)	8
2.5. THE CONTRACTING ACTIVITY	8
2.6. THE VENDOR	9
3. PROCESSES	9
3.1. TASKING GSA FSS CONTRACTORS	9
3.1.1. PROGRAM OFFICE	9
3.1.1.1. IDENTIFICATION OF ADMINISTERING CONTRACTING OFFICER'S REPRESENTATIVE (ACOR)	9
3.1.1.2. REQUIREMENT DOCUMENT	10
3.1.1.3. EVALUATION CRITERIA	10
3.1.1.4. INDEPENDENT GOVERNMENT COST ESTIMATE (IGCE)	11
3.1.1.5. FUNDING	11
3.1.1.6. SOLE SOURCE OR LIMITED SOURCE JUSTIFICATION	12
3.1.1.7. RECOMMENDED SOURCES	13
3.1.2. ACQUISITION MANAGEMENT DIVISION (AMD)	13
3.1.3. RESOURCES MANAGEMENT OFFICE (RMO) DIRECTORATE FINANCIAL OPERATIONS (FO)	13
3.1.4. CONTRACTING OFFICER	13
3.1.5. GSA FSS CONTRACTORS	14
3.2. PROPOSAL REVIEW AND DELIVERY ORDER ISSUANCE	14
3.2.1. GSA FSS CONTRACTOR	14
3.2.2. CONTRACTING OFFICE	14
3.2.3. PROPOSAL EVALUATION	14
3.2.3.1. ACQUISITION MANAGEMENT DIVISION (AMD)	14
3.2.3.2. PROGRAM OFFICE	14
3.2.4. PAST PERFORMANCE INFORMATION RETRIEVAL SYSTEM (PPIRS)	15

ACQUISITION SENSITIVE

3.2.5. ACQUISITION MANAGEMENT DIVISION (AMD)	15
3.2.6. CONTRACTING OFFICE	15
3.3. DELIVERABLE REVIEW AND ACCEPTANCE	15
3.3.1. GSA FSS CONTRACTOR	15
3.3.2. PROGRAM OFFICE	16
3.3.3. ACQUISITION MANAGEMENT DIVISION (AMD)	16
3.4. PERFORMANCE AND PROGRESS REPORTING	16
3.4.1. TIME & MATERIALS MONTHLY PERFORMANCE AND PROGRESS REPORT (MPPRs)	16
3.4.2. FIRM FIXED PRICE (FFP) MPPRs	17
3.4.3. REVIEW OF THE MPPR	17
3.4.4. PROBLEM RESOLUTION	17
3.5. PREPARING THE PAST PERFORMANCE INFORMATION ASSESSMENT FORM	18

ACQUISITION SENSITIVE

GUIDELINES FOR USERS & MANAGERS
OF THE GSA FSS

1. **INTRODUCTION.** The Federal Supply Schedule (FSS) Program, directed and managed by the General Services Administration (GSA), provides federal agencies with a simplified process for obtaining commonly used commercial supplies and services at prices associated with volume buying. Indefinite delivery contracts are established with commercial vendors to provide supplies and services at stated prices for given periods of time.

Using the FSS, federal agencies are able to obtain virtually any commercially available service or supply by choosing among thousands of vendors. Orders are placed directly with the vendor and deliveries are made directly to the customer. All federal customers, large or small, even those in remote locations, are provided with the same services, convenience, and pricing. GSA's FSS Program also benefits the government by allowing shorter leadtimes, lower administrative costs, and reduced inventories.

Users are able to go to the FSS home page and link directly to a list of electronic schedules. They can search for a specific type of product and services or browse a particular schedule of interest to see which vendors are on it. With either method, users may then link to the Contractors' home page and find online information about the established prices for specific products and services.

- 1.1. **AMD POINT OF CONTACT.** The Acquisition Management Division (AMD) provides support to Program Offices needing to procure products from the GSA Schedules. For additional details on the scope or ordering process, consult the remainder of this guide. If you still have questions, contact the AMD point of contact (POC).

Office of the Assistant Secretary of Defense (Health Affairs)
TRICARE Management Activity
Acquisition Management Division (AMD)
5111 Leesburg Pike, Suite 550
Falls Church, VA 22041-3201

Telephone: (703) 681-1143/ FAX Number: (703) 681-6036

- 1.2. **PURPOSE AND SCOPE OF THIS GUIDE.** This guide provides step-by-step instructions for a Program Office to establish an order with GSA's FSS program contractors. Specifically, the guide defines the roles and responsibilities of participants involved in the use, administration, and management of an order issued under the GSA schedule contracts.

The procedures in this guide apply to all TMA non-purchased care Program Offices using FSS contracts.

ACQUISITION SENSITIVE

- 1.3. **GSA ORDER TYPES.** The GSA FSS contracts are specifically designated tools for the purchase of “commercial items.” Information technology (IT) and support services are considered to be “commercial items.” The Federal Acquisition Regulation (FAR) requires that orders placed against a schedule be purchased on a fixed price basis, however a labor hour (LH) or time and materials (T&M) order would require a Determination and Finding (D&F) by the Contracting Officer (KO).
- 1.4. **COMMONLY USED GSA SCHEDULES.** A number of commonly used GSA schedules are listed below. Additional information concerning these schedules is available on the GSA E-Schedule webpage at <http://www.gsaelibrary.gsa.gov/>.
- IT Schedules
 - Management, Organizational, and Business Improvement Services (MOBIS) Schedules
 - Professional Engineering Services
 - Applications ‘n Support for Widely-diverse End User Requirements (ANSWER)
 - Millenia and Millenia Lite
- 1.5. **AUTHORIZATION TO USE GSA SCHEDULES.** The GSA schedules are available for use by all federal agencies. In order to use these schedules, the Program Office must specify the following information in the body of the order:
- 1.5.1. **CAAS CERTIFICATION.** IAW DoD Directive 4205.2 “Acquiring and Managing Contracted Advisory and Assistance Services (CAAS)” all CAAS procurement requests shall have a memorandum for the record from the Program Office certifying the following:
- The services have been reviewed for the most cost-effective or efficient means of accomplishment. If the requirement is being met with CAAS resources but is considered long-term and could be more cost-effectively done by in-house resources, a statement citing action being taken to hire additional resources or an explanation of why contracting out is necessary shall be included.
 - Procurement requests for studies must contain a statement that the Defense Technical Information Center and other applicable information sources have been queried and that no known existing scientific, technical or management report could fulfill the requirement.

This certification will be reviewed and approved by an official at a level above the Program Office. Additionally, approval for all CAAS procurement requests initiated during the fourth quarter of the fiscal year, for award during the same fiscal year, shall be by an official at a second level or higher, above the Program Office. For proposed orders estimated at \$50,000 or more, the approval authority may not be delegated below SES, Flag or General Officer level.

ACQUISITION SENSITIVE

- 1.5.2. **PERSONAL VS. NON-PERSONAL SERVICES.** Personal services are not authorized for most TMA orders. Program Offices must specifically state, within their task statements, that the services to be procured are not for personal services (as per FAR clause 37.104).
- 1.5.3. **INHERENTLY GOVERNMENTAL FUNCTIONS.** Inherently governmental functions may not be procured via contract and are therefore not within the scope of the GSA FSS contracts. FAR Part 37.102(c) directs that “Agencies shall not award a contract for the performance of an inherently governmental function.” Program Offices must specifically state, within their task statements, that the services to be procured are not for inherently governmental functions (as per the Office of Federal Procurement Policy (OFPP) Policy Letter 92-1).
- 1.6. **COMPETITION REQUIREMENTS.** The procedures at FAR 8.404(b) (2), regarding review of catalogs or pricelists of at least three schedule contractors, does not apply to orders for services exceeding \$100,000. Instead, orders for services exceeding \$100,000, must use the procedures at DFARS 208.404-70 in addition to the procedures at FAR 8.404 (b) (7). The subsection DFARS 208.404-70 implements Section 803 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2002. Effective June 28, 2002, Section 803 of the NDAA for FY 2002 has set forth basic ground rules when ordering from GSA FSS contracts that are summarized in the following boxes:

require fair notice to be provided to all contractors offering such products or services under the multiple award contract of the intent to make that procurement;

AND

afford all such contractors a fair opportunity to make an offer and have that offer fully and fairly considered by the official making the procurement.

OR

“Notice may be provided to fewer than all contractors... if notice is provided to as many contractors as practicable”

AND

“offers were received from at least three qualified contractors”

OR

“a contracting officer of the DOD determines in writing that no additional contractors were able to be identified despite reasonable effort to do so.”

Many GSA schedules, such as the IT Schedule and MOBIS, have hundreds, or even thousands of contractors. Therefore, when ordering from GSA schedules, DoD may often use the procedures in the box on the right. This means that when ordering from GSA schedules, TMA must identify a strategy that will ensure receipt of at least three quotes.

Cost or price along with past performance should be a consideration before award of an order. The process is informal and uses streamlined procedures. Including past performance is encouraged.

- 1.7. **PREFERRED CONTRACTING AGENCIES (PCAs).** Information on the use of “Preferred Contracting Agencies” can be obtained in the *TMA Non-purchased Care Acquisition*

ACQUISITION SENSITIVE

Desktop Reference Guide which is available on the AM&S section of the TMA web site.

2. **ROLES AND RESPONSIBILITIES.** Execution of GSA FSS orders involves six (6) key organizations: GSA, the Program Office, AMD, Resource Management Office (RMO), the contracting activity, and the vendor. The role of each organization is summarized below.
 - 2.1. **GENERAL SERVICES ADMINISTRATION (GSA).** The GSA enters into contract agreements with commercial vendors. They obtain fair and reasonable prices and make them available to any federal agency. The FSS program mirrors commercial buying practices more than any other procurement process in the federal government. It provides customers with millions of state-of-the-art, high-quality commercial products and related services at volume discount pricing on a direct delivery basis.
 - 2.2. **PROGRAM OFFICE.** The Program Office is responsible for defining the requirements for the acquisition and taking a leadership role in managing the effort. To do this, the Program Office must designate a Task Manager (TM) who is knowledgeable about the contents of the ordering package, will oversee the execution of the work under the resulting order, and will be designated as the Administering Contracting Officer's Representative (ACOR). The ACOR documents the requirements, researches available options, identifies one or more preferred contractors, prepares the ordering package, secures the funding, evaluates technical proposals, selects a contractor, tracks the progression of the order, accepts product delivery, receives and approves/disapproves and processes contractor invoices, and prepares the [Past Performance Information \(PPI\) Assessment Form](#).
 - 2.3. **ACQUISITION MANAGEMENT DIVISION (AMD).** The AMD provides an Acquisition Manager (AM) for each acquisition. The AM serves as a first level resource to the ACOR in resolving issues on the order. Working in partnership with the ACOR and Contracting Officer (KO), the AM ensures that work required of contractors is properly tasked and executed in accordance with the GSA contract and the individual order. The AM works with the Program Office and the contracting activity to track the status of the ordering package until the order is awarded.
 - 2.4. **RESOURCE MANAGEMENT OFFICE (RMO) DIRECTORATE FINANCIAL OPERATIONS (FO) DIVISION.** The FO division of the TMA RMO certifies that adequate funding exists to cover the cost of a requirement. Each Program Office receives annual funding of a specified amount. RMO tracks the status of those accounts as funds are spent. Before an order for products or services is placed with a vendor, RMO must certify that the Program Office has enough money available to make the purchase.
 - 2.5. **THE CONTRACTING ACTIVITY.** AMD has established PCAs to most efficiently and economically provide contracting services for TMA. Personnel from the contracting activity review ordering packages to ensure that they are in compliance with applicable laws and regulations before issuing an order to the selected vendor and perform all

ACQUISITION SENSITIVE

procurement functions. The contracting activity is responsible for coordinating the technical and price analysis, performing price analysis, and making the award decision.

2.6. **THE VENDOR.** The selected vendor delivers the supplies as described in the order or performs services as described in the order.

3. **PROCESSES:** The following steps are involved in ordering from GSA FSS contracts:

Tasking GSA FSS Contractors
Proposal Review and Order Issuance
Deliverable Review, Acceptance, and Invoicing
Performance and Progress Reporting
Problem Resolution
Preparing the Past Performance Information (PPI) Assessment Form
Evaluation Criteria

Each of these processes is described in detail, below, identifying the roles of all participants in that process.

3.1. **TASKING GSA FSS CONTRACTORS.** The process flow for issuing an order is illustrated in the [Acquisition Package Process](#) flow diagram; its [process elements](#) describe the activities, participants, and anticipated duration.

3.1.1. **PROGRAM OFFICE.** The first step in the tasking process is preparation of a *Tasking Package*. The Tasking Package consists of all documents necessary for the KO to award an order. The Program Office should submit an electronic copy of the Tasking Package to the AM. The Tasking Package must be tailored specifically to the requirement, and include at a minimum, the following:

TASKING PACKAGE CONTENTS:

- Identification of ACOR
- Requirements Document (Performance Based Statement of Work (PBSOW) or Bill of Materials (BOM))
- Independent Government Cost Estimate (IGCE)
- Procurement Request Worksheet (PRW)
- Sole Source or Limited Source Justification (If appropriate)
- List of recommended sources
- Evaluation Criteria

3.1.1.1. **IDENTIFICATION OF ADMINISTERING CONTRACTING OFFICER'S REPRESENTATIVE (ACOR).** In order for the Program Office to have a single, knowledgeable point of contact for actions associated with each order, an ACOR must be nominated by the Program Office and designated in writing by the KO, and granted specific authority and responsibilities for a given order. The [TMA Non-Purchased Care](#)

ACQUISITION SENSITIVE

[Contract Administration Appointments And Duties Worksheet](#) should be completed for each order and inserted in the PBSOW when a Contracting Officer's Representative (COR) and/or ACOR will be assigned. The ACOR should have an in-depth understanding of the task and be prepared to represent the Program Office in dealings with the AM, the KO, and the selected vendor. The ACOR does not have authority for contractual actions. The ACOR provides a technical interface between the Program Office and the other organizations involved in the tasking process.

3.1.1.2. **REQUIREMENT DOCUMENT.** The Program Office must produce a requirement document identifying what is being bought. To the maximum extent practical, the Program Office should try to *combine* orders for similar tasks or products. This reduces cost of management and administration for both the Government and the contractor and may offer cost savings as a result of economies of scale.

- a) **EQUIPMENT/MATERIALS PROCUREMENTS.** If the requirement is simply for materials or equipment, a BOM may be used. AMD has approved a Microsoft Excel [BOM template](#) for Program Office use.
- b) **SERVICES PROCUREMENTS.** To the maximum extent possible, the requirements should take the form of defining the “outcome” desired, rather than “how” to do it. This approach is known as “performance based”. An SOW that is written in this form is referred to as a Performance Based SOW (PBSOW). If the requirement is for services, then a PBSOW is used to describe what is needed from the Contractor. It should, in reasonable detail, describe what the Contractor must do, produce and deliver in order to meet the needs of the Government. Detailed instructions for writing a PBSOW are available in the [GSA PBSOW Template](#) and accompanying [General Information about SOWs](#). It is important to give careful thought to the PBSOW for several reasons:
 - The PBSOW drives the cost/price proposal from the Contractors. If it is vague or ambiguous, it may likely result in the Contractor over/under estimating cost/price.
 - A vague or ambiguous PBSOW can discourage contractors from bidding or cause grounds for protest.
 - Delivery of a product/service that does not meet the Government need.

3.1.1.3. **EVALUATION CRITERIA.** The Program Office must coordinate with the AM and DCC-W to determine whether to use the “best value” or “lowest price, technically acceptable (LPTA)” evaluation method. For LPTA,

ACQUISITION SENSITIVE

the Program Office must define minimum technical acceptability. For best value, the program office must define the evaluation factors, explain how they are weighted or ranked in order of importance in comparison to each other and in comparison to price. When using best value, you must work with AMD and DCC-W to justify use of this evaluation method.

The following are examples of evaluation criteria:

- Past Performance
- Technical Approach
- Resumes
- Corporate Experience

3.1.1.4. **INDEPENDENT GOVERNMENT COST ESTIMATE (IGCE).** Based on the Program Office's understanding of the requirement, an estimated *level of effort* must be prepared. This section of the task statement should include an estimate of staff hours of effort, grouped by labor category, required to accomplish the task and meet the requirement.

The IGCE shall also include *incidental*¹ costs needed to complete the contractor's task(s). These costs are referred to as "Other Direct Costs" (ODCs). ODCs include such items as hardware, software, travel, supplies, telecommunications, and reproduction costs. The total of all of the projected personnel costs plus ODCs is the Task IGCE.

The Task IGCE lays the groundwork for cost, schedule, and performance goals for the Contractor. These goals are finalized after the Contractor's proposals are received, negotiations are completed, and the order is issued. AMD has approved a standard [IGCE template](#), along with [guide](#), and [example](#) for users.

The GSA FSS website provides an easy method for Program Offices to research and compare prices charged by numerous vendors. The objective of GSA Advantage is to allow customers to easily find and compare products and services online. GSA Advantage contains a powerful search engine that lets you search for products by many different characteristics. For more information, visit <https://www.gsaadvantage.gov/cgi-bin/advwel>. Another valuable source is the GSA E-Schedule website <http://www.gsaelibrary.gsa.gov/elib/eLibrary.jsp>.

3.1.1.5. **FUNDING.** In order to begin the review process, the AM must receive a funding authorization, as well as the signed, approved PBSOW. Funding

¹ The GSA contracts does not allow for orders to include the purchase of equipment, materials, software, etc. which are not directly required for completion of task.

ACQUISITION SENSITIVE

authorizations can take 3 forms. Program Offices should coordinate with their budget officer to determine the appropriate *Fund Citation* and *Funding Documentation* to include in the Tasking Package.

- a) **PURCHASE REQUEST WORKSHEET (PRW).** If funding the requirement with TMA funds, submit a PRW to the POC as part of your Tasking Package.
 - b) If funding the requirement with funds that originate from an external source, use either the electronic Defense Automated Requisition Tracking System (eDARTS) or a MIPR.
 - **ELECTRONIC DEFENSE AUTOMATED REQUISITION TRACKING SYSTEM (EDARTS).** All activities that use the DCC-W contracting office are required to use eDARTS to streamline the acquisition process. This internet-enabled system is used to initiate procurement actions. Utilization of this system will eliminate the need for generating MIPRs. Information on how to register as an eDARTS “user” can be obtained through AM&S.
 - **MILITARY INTERDEPARTMENTAL PROCUREMENT REQUESTS (MIPRS).** All contract offices other than DCC-W transfer funds via MIPRs. Information on MIPRs can be obtained in the *TMA Non-purchased Care Acquisition Desktop Reference Guide* that is available on the AM&S section of the TMA web site.
- 3.1.1.6. **SOLE SOURCE OR LIMITED SOURCE JUSTIFICATION.** Award to a specific contractor or exclusion of contractors requires a formal justification. The justification is only acceptable if it meets one of the following requirements, specified in the FAR Part 16.505 (b)(2).
- (i) *The agency need for the supplies or services is so urgent that providing a fair opportunity would result in unacceptable delays;*
 - (ii) *Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized;*
 - (iii) *The order must be issued on a sole-source basis in the interest of economy and efficiency as a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order; or*

ACQUISITION SENSITIVE

- (iv) *It is necessary to place an order to satisfy a minimum guarantee.*

Because the justification must stand the test of formal legal sufficiency, it is imperative that the justification be prepared, reviewed by the Director of the Program Office, and approved by the contracting office Legal Counsel. The AM will assist the ACOR in determining if one of these exemptions supports the proposed strategy and in reviewing justification narrative prior to submission to the contracting office contracts and legal counsel.

3.1.1.7. **RECOMMENDED SOURCES.** For all GSA orders, the Program Office **must** ID six (6) to ten (10) GSA schedule holders to solicit bids. It is critical that the Government solicit sufficient number of contractors to generate at least three (3) bids.

- a) **INCUMBENTS.** If the requirement represents a follow-on to an existing order, the Program Office should note this in the Tasking Package. If the incumbent is not a satisfactory performer and not necessarily desired as an awardee, the Program Office should be sure that this is made known to their leadership before the Tasking Package arrives at AMD. Unless circumstances dictate otherwise, incumbents will usually be invited to bid.

3.1.2. **ACQUISITION MANAGEMENT DIVISION (AMD).** Upon receipt, the AM reviews the Tasking Package received from the Program Office to ensure that it is accurate and complete and that the tasking is within the scope of the order. The AM maintains a master log of all Tasking Packages received and the status of all actions in progress.

3.1.3. **RESOURCE MANAGEMENT OFFICE DIRECTORATE (RMO) FINANCIAL OPERATIONS (FO) DIVISION.** Once all requirements are met, the AM will forward the Tasking Package to RMO/FO for preparation of a requisition or MIPR. RMO/FO Division receives the approved Tasking Package from the AM. RMO/FO will then validate the funds cited, prepare a requisitions or MIPR, and forward the complete Tasking Package back to the AM for final review. The AM will then forward the complete tasking package to the KO for processing.

3.1.4. **CONTRACTING OFFICE.** The KO reviews the Tasking Package to ensure that the described work is within the scope of the order selected and that required documents have been completed. The KO then prepares a request for quotes to include in the task statement (work descriptions, deliverables, and schedule) to a selected group of GSA FSS contractors and requests that the contractors prepare Technical and Price Proposals within a specified period of time.

ACQUISITION SENSITIVE

3.1.5. **GSA FSS CONTRACTORS.** The Contractors prepare Technical and Price Proposals that respond to the requirements described in the task statement. The intent is for all questions posed by a Contractor to be directed to the KO. If a question is directed to the Program Office or TM during the proposal period, the question must be forwarded to the AM and KO for resolution. ***Only the KO is authorized to contractually obligate the Government.***

3.2. **PROPOSAL REVIEW AND ORDER ISSUANCE.** The process for evaluating a proposal and issuing an individual order is described below:

3.2.1. **GSA FSS CONTRACTOR.** The Contractors complete the technical and price proposals and submit them to the KO. Normally, the request for proposal and the technical and price proposals are transmitted electronically to the Contracting Office. This streamlines the time and cost associated with the proposal.

3.2.2. **CONTRACTING OFFICE.** The KO reviews the contractor's proposals to ensure completeness of the submission and that all electronic files are received without error. The KO then reviews the proposals to ensure compliance with the instructions, terms, and conditions of the contract. If the order value is greater than \$500,000, the AMD will coordinate a review by legal counsel. The KO then forwards the Technical Proposal to the AM for review and distribution to the ACOR. The KO performs an analysis of the price proposal using all tools available and then forwards the results to AMD who will distribute to the TM after the technical evaluation is complete.

3.2.3. **PROPOSAL EVALUATION.**

3.2.3.1. **ACQUISITION MANAGEMENT DIVISION (AMD).** The AM documents the receipt of the technical proposals, reviews the proposals, and then attaches Proposal Evaluation Forms to the technical proposal packages. Users should distribute the [Proposal Evaluation Form](#) for completion. The AM forwards these proposal packages with a Proposal Evaluation Form to the ACOR.

3.2.3.2. **PROGRAM OFFICE.** The ACOR, along with a team of at least two other independent evaluators, performs an evaluation of the technical proposals to ensure that the Contractors have responded to all requirements of the task statement, have provided an acceptable schedule, and have proposed a level of effort that is logical, legitimate, and can be supported by the funding allocated for the requirement. After completing the evaluation, the ACOR completes the Proposal Evaluation Form, signs it, and forwards it to the AM. If discussions or negotiations of specific technical points or cost elements are required, this shall be

ACQUISITION SENSITIVE

documented on the evaluation form and conveyed through the AM to the KO. All proposal discussions with offerors must include the KO.

- 3.2.4. **PAST PERFORMANCE INFORMATION RETRIEVAL SYSTEM (PPIRS).** The Federal Past Performance Information Retrieval System, launched in July 2002, allows government users to retrieve past performance information from the four recognized federal past performance evaluation collection systems:

National Institutes of Health Contractor Performance System
National Aeronautics and Space Administration Past Performance Database
Army's Past Performance Information Management System
Contractor Performance Assessment System used by various defense agencies.

The PPIRS requires government users to request an account on the first use, and to log in for subsequent use. A good place to start for new users is the Frequently Asked Questions (FAQs) page of the PPIRS web site, found at <http://www.ppirs.gov/ppirsfiles/faqs.htm>. The system itself is found at www.ppirs.gov, under *System Logon*.

- 3.2.5. **ACQUISITION MANAGEMENT DIVISION (AMD).** The AM reviews the comments provided by the ACOR on the Proposal Evaluation Form, and if necessary, may recommend changes/additions to ensure completeness and accuracy of this legal document. The AM then forwards the Proposal Evaluation Form to the KO. If the KO requires changes/clarifications, this will be coordinated through AMD.
- 3.2.6. **CONTRACTING OFFICER.** Based on the recommendation contained in the Proposal Evaluation Form and after appropriate legal review, discussions, negotiations, and agreement between the Government and the successful Contractor on the technical and price/cost issues associated with the work, the KO issues a signed order to the successful Contractor. The KO provides a copy to the AM and the ACOR. If the order is greater than \$500,000, the KO will coordinate a review by legal counsel to ensure the recommendations provided by the ACOR are sufficient for award. This signed order officially provides authorization for the contractor to begin working. *The contracting office is the only body that can authorize contractors to work.*

- 3.3. **DELIVERABLE REVIEW, ACCEPTANCE AND INVOICING.** The process for receipt/review of contractor deliverables and invoicing is described below:

- 3.3.1. **GSA FSS CONTRACTOR.** The Contractor submits deliverables in accordance with the contract and order specifications. On or before the specified due date, the Contractor provides a deliverable with an associated cover letter to the ACOR.

ACQUISITION SENSITIVE

- 3.3.2. **PROGRAM OFFICE.** It is the responsibility of the ACOR to review carefully the technical deliverable to determine whether it satisfies the requirements specified in the order. If a deliverable is acceptable, the ACOR will then approve related invoices/receiving report. Following ACOR review and approval, the ACOR must obtain concurrence of the Program Manager or equivalent. This concurrence will take the form of a cover memorandum from the concurring official to the paying office. No receiving reports will be sent to the paying office without this cover memorandum. The [Invoice and Receiving Report Procedures](#) contains instructions for review of invoice and receiving documents. If a deliverable is not satisfactory, the ACOR must immediately notify the Contractor of the deficiency. This notification may be verbal, but should be subsequently documented in a memo, letter, or email to the contractor and placed in the ACOR's contract file. If the ACOR and the Contractor cannot resolve the issue, the ACOR should provide a copy of the documentation to the AM, along with a list of all actions taken to resolve the matter. (For further details see the problem resolution section in this Guide.) Poor quality work should be documented for later inclusion in the [Past Performance Information \(PPI\) Assessment Form](#).

With the launch of the Wide Area Workflow Release System (WAWF) throughout TMA, invoice creation, review, acceptance, and payment will take place online. Invoices are instantly forwarded to the individual responsible for the next action of the invoice. The WAWF is sponsored by the Defense Information Systems Agency (DISA) and the Defense Finance and Accounting Service (DFAS). More information can be found at <http://www.defenselink.mil/acq/ebusiness/projects/operational.htm>.

- 3.3.3. **ACQUISITION MANAGEMENT DIVISION (AMD).** After review of the situation with the ACOR, the AM may elect to discuss the problem with the Contractor or elevate the issue to the KO. If the AM is unable to resolve the issue, or if the AM deems necessary, the AM will refer the matter to the KO. The AM will provide copies of all documentation to the KO for review and retention in the official contract file.
- 3.4. **PERFORMANCE AND PROGRESS REPORTING.** Each GSA PBSOW must specify that the Contractor deliver a monthly performance and progress report (MPPR) that outlines both technical performance and progress and detailed status of expenditures. Detailed language is included in the template for the PBSOW.
- 3.4.1. **TIME & MATERIALS MONTHLY PERFORMANCE AND PROGRESS REPORTS (MPPRS).** For time and materials (T&M) type orders, the MPPR must list labor categories, name, and quantity of hours utilized on a monthly basis by CLIN. The report must also include status of work, documentation of problems, and recommended solutions to problems.

ACQUISITION SENSITIVE

- 3.4.2. **FIRM FIXED PRICE (FFP) MPPRS.** For firm fixed price (FFP) type orders, the MPPR must list cumulative billings, status of work, documentation of problems, and recommended solutions to problems.
- 3.4.3. **REVIEW OF THE MPPR.** The ACOR monitors the order burn rate (for T&M) and expiration date in accordance with the ceiling price, and must initiate any necessary modifications or extensions. The ACOR is responsible to review this report and confirm that progress is accurate and satisfactory. Close attention should be paid to information about funding *to ensure that adequate funds remain to complete tasks during the order's period of performance and to prevent cost overrun, underburn, and potential ratifications*². Identification of any discrepancy or potential discrepancy should first be addressed with the Contractor. If the issue is resolved with the Contractor, the ACOR should make a notation in his contract file, or the Contractor should resubmit a corrected report. If the issue is not resolved, the ACOR should document, in writing, the issue, and meet with the AM for assistance.

The ACOR must assess the need for additional or follow-on work and generate new task packages not later than sixty (60) calendar days prior to expiration of funds or period of performance.

- 3.4.4. **PROBLEM RESOLUTION.** Development and maintenance of strong, positive business relationships between the Government and Contractors are strongly encouraged. However, there may be instances in which problems develop that will require resolution. Figure 1 depicts the process for resolving problems that may arise during the life of the order.

² Per FAR 1.602-3(a), ratification is defined as, "The act of approving an unauthorized commitment, by an official who has the authority to do so, for the purpose of paying for supplies or services provided to the government as a result of an unauthorized commitment."

ACQUISITION SENSITIVE

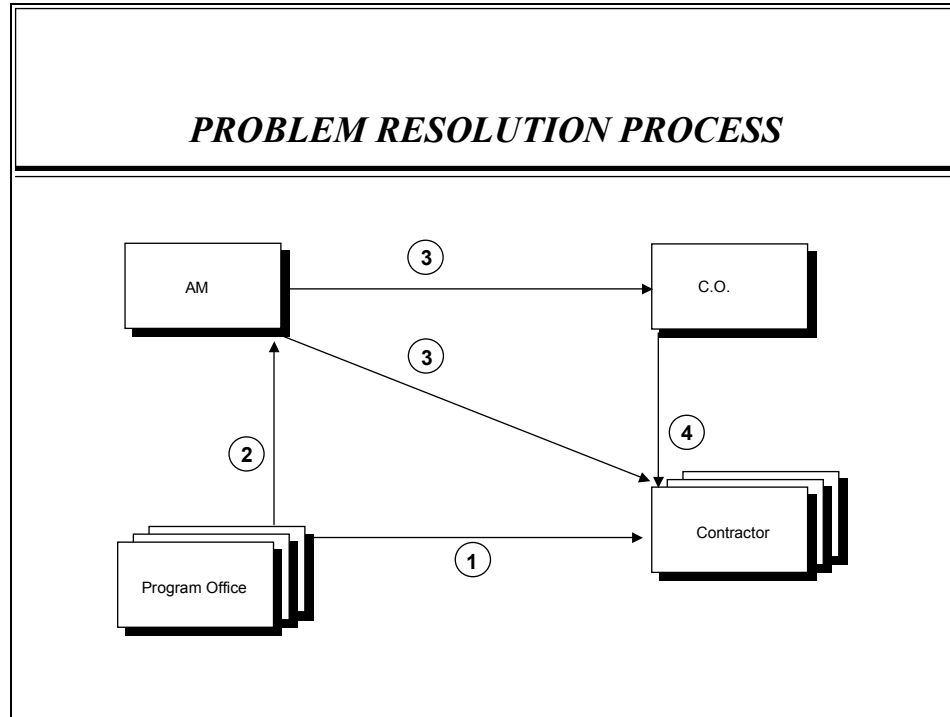


Figure 1

① The ACOR identifies and addresses the problem directly with the Contractor, creating written notes or emails for the file and providing copies to the contract specialist.

② If informal resolution cannot be reached, the ACOR shall refer the problem to the AM. The ACOR should provide the AM with copies of all pertinent materials, including, for example, the progress reports, briefing materials, notes of conversations with the Contractor, and copies of emails/correspondence.

③ The AM and the ACOR will then address the problem with the Contractor. If resolution still cannot be reached, the AM will involve the KO.

④ The KO, AMD, and ACOR discuss the problem with the Contractor. All parties will be involved in all steps of the problem resolution process.

- 3.5. **PREPARING THE PAST PERFORMANCE INFORMATION ASSESSMENT FORM.** In accordance with the 1994 Federal Acquisition Streamlining Act (FASA), federal agencies must document the performance of contractors in meeting established goals. FASA requires the Secretary of Defense to submit information to Congress about whether major and non-major acquisition programs are achieving, on average, 90 percent of cost, performance, and schedule goals. In order to capture the data necessary to report on the contractor's performance, the [Past Performance Information \(PPI\)](#)

ACQUISITION SENSITIVE

[Assessment Form](#) shall be completed by the ACOR within fifteen (15) days of the end of the order's period of performance.

When completing the form, the evaluation must be restricted to cost, schedule, and performance quality. The evaluation must address only actual performance during the period of performance of the order and may only address work performed or products delivered for the specific order. ACORs are encouraged to provide positive as well as negative feedback. All feedback must be substantiated with a written narrative that completely describes the issues and impact on the program.

The completed form shall be forwarded to the AM, who will review it for completeness and may discuss the rating with the ACOR to gain a thorough understanding of issues presented in the evaluation. The Contractor is provided the form for their review and signature. The contracting office must provide the contractor an opportunity to respond to any negative comments.

The AM maintains the files for all PPI assessment forms with all related correspondence between the ACOR, Contractor and KO for the duration of the order. The AM will review trends, based on cumulative orders. In addition, the DCC-W contracting agency maintains a Past Performance Information Management System (PPIMS) database to track all past performance. The files are accessible to Government personnel who need the information.